



CALPEEK

CALIFORNIA POLITICAL WEEK

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S.F. POLICE SCANDAL: ARE THE POLITICAL TABLES TURNING ON S.F. DISTRICT ATTORNEY HALLINAN??

Editor's note: When we left this situation two weeks ago, S.F. Police Chief Earl Sanders and six of this command staff had been indicted by the S.F. Grand Jury. The charge: covering up a street fight between 3 young off-duty cops and two civilians. In the past two weeks, S.F. DA Terence Hallinan has dropped charges against Chief Sanders and Asst. Chief Alex Fagan Sr. It was Fagan's son, Jr., who was one of the 3 off-duty officers involved in the Nov. 20th brawl. Here's our update & analysis...

...*Calpeek* went to press on our first story on Mar. 6th. On Mar. 7th the L.A. Times broke a story which continues to have legs and may in fact be Hallinan's undoing – politically speaking. The story by Tim Reiterman, John M. Glionna and Maura Dolan (based on reading parts of the 1,300 page transcript) showed that Hallinan and Deputy DA Al Murray were **not** seeking cover-up indictments against the chief and the command staff. According to the story, Hallinan told the jurors there wasn't enough evidence to indict them. For whatever reason, the jury didn't listen to the DA (a runaway grand jury) and now Hallinan is backing away...

...On Mar. 11th, Hallinan told a judge he lacked evidence to support conspiracy charges against Sanders and Fagan Sr. The charges were dropped and both were freed. The charges against the others remain, but some think a judge will dump those indictments too. If that happens, Hallinan could be *political toast*...

...The most damaging element of the L.A. Times story was the quote from legal experts. They said in the Mar. 7th story it "would be improper, even unethical, for the DA to move forward with charges if he believed they might not stand up in court." The legal experts included Peter Keane of the Golden Gate School of Law and Laurie Levenson of Loyola Law School in L.A., a former U.S. Attorney...

...So now the *S.F. Chron* is beginning to back away from Hallinan, while the *S.F. Recorder* (daily legal newspaper) editorialized that **Hallinan should retire** (actual headline).

"His handling – or rather, mishandling – of the indictments of Police Chief Earl Sanders and Asst. Chief Alex Fagan Sr. has been a national embarrassment, and for that sin alone, he should reconsider a run (for reelection)." Very harsh words indeed...

...Fagan Sr. is back on the job, but Sanders (who has high blood pressure) is still on medical leave. And according to Matier & Ross' column, if S.F. Mayor Willie Brown has his way, Sanders will stay on leave. Brown doesn't look too good either, but that's only because he's so unpopular anyway. Mayoral candidates Angela Alioto, Sup. Tom Ammi and City Treas. Susan Leal all think Brown made a mistake in allowing Fagan back on the job. Sup. Gavin Newsom disagreed – saying he was not about to second guess Brown. Stay tuned...

BUSH AT WAR: U.S. EFFORT TO TOPPLE HUSSEIN IS LAUNCHED WITH "OPERATION IRAQI FREEDOM."

Editor's note: As *Calpeek* hit deadline, time had just run out on Pres. George W. Bush's ultimatum to Iraqi Pres. Saddam Hussein – meaning *Operation Iraqi Freedom* (war) could begin at any time after that. It didn't take long for the war to start. Here's our analysis & commentary...

...Don't think there was ever any doubt that Pres. Bush and many of his *neo-con* advisors had Hussein in their collective cross-hairs from the day Bush was sworn into office in 2001. Of course 9-11 was the key date which changed everything. The most telling post-9-11 event described in Bob Woodward's book, *Bush at War*, took place Sept. 17, six days after. Bush was in a Nat'l Security Council meeting and said, "*I believe Iraq was involved, but I'm not going to strike them now. I don't have the evidence at this point.*" According to the book, Defense Sec. Donald Rumsfeld already had a team at work on plans for military action against Hussein – prior to 9-11...

...Efforts to link Iraq to 9-11 (and Al Qaeda + Bin Laden) is the one element in the White House spin which Americans and most others just don't buy. If there was 9-11 linkage to any one country, it wasn't Iraq, but rather Saudi Arabia...

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...And for those who think this war is about removing Iraq's weapons of mass destruction (WMD), forget it! Ditto oil! This conflict has always been about regime change. As was noted in PBS's Frontline documentary (broadcast 3/17), the previous inspections to uncover WMD by the UN really didn't produce all that much until Hussein's son-in-law defected ('95). And when UN inspectors began to hit pay dirt in 1998, that's when Hussein tossed them out. Did the UN do anything? No and the key reason was opposition from France and Russia. Things never seem to change. Would these new WMD inspections uncover anything? Probably not – too few inspectors and WMDs are well hidden. Even if all the WMDs were discovered & destroyed, who/what would prevent Hussein from rebuilding once the inspectors had gone? Not the UN, which is as feckless as the old League of Nations...

...Politically, there are just too many unknowns to say whether Pres. Bush will come out of this war in a good position to win reelection in 2004. The White House has been reluctant to put a price tag on this war OR the rebuilding/post war effort in Iraq. It could cost upwards of \$200 billion. And then there's been lots of criticism about the lack of money for homeland security – funds to local cities for 1st responders...

...Just as important will be the post-war rebuilding of America's image and reconstructing friendships with allies who jumped ship. And while GOPers have blasted Demo U.S. Senate Leader Tom Daschle for his *personalized* attack on Pres. Bush's U.S. diplomatic effort (Daschle called it a failed effort), when we couldn't get Canada & Mexico to support us, you knew something wasn't right with our diplomatic strategy and pitch. Daschle wasn't wrong on the substance, but he should have been more "diplomatic" with his language and shown more respect to GWB...

...FYI: North Korea vs. Iraq. Which is more dangerous? Easy answer – North Korea, which has 1-2 A-bombs; probably has an ICBM which can hit the West Coast; and while Saddam Hussein is a killer and thug, North Korea's Kim Jong Il is *certifiable*. Next target for regime change? Syria – for the following reasons: State sponsor of terrorism and it's Baath Party-controlled (same as Iraq). Stay tuned...

SOME INFO YOU NEED TO KNOW ABOUT CALPEEK.

Here is some helpful information about Calpeek that you may need to know. Deadlines for news and Marketplace Network: 12 noon each Wednesday. Calpeek is printed and mailed each Thursday. Our fax is (310)657-4340; e-mail calpeek@aol.com. Calpeek does NOT make refunds on cancellations...

CAMPAIGN 2004: CALIFORNIA INITIATIVE UPDATE.

Editor's note: Initiative activity has escalated in the past two weeks. Here's our update & analysis...

...Still only three(3) measures for the March 2, 2004 ballot, but there are five(5) measures pending at the AG's office for *title & summary*. Two of the five are serious...

◆ Calif. Financial Privacy Act – As reported in Calpeek back on Jan. 20th, supporters of a strong financial privacy bill (SB 1 by Demo Senators Jackie Speier and John Burton) threatened to launch a much tougher ballot measure if the Assembly didn't approve SB 1. To back up those tough words, an initiative to require bank and insurance companies to get written permission from consumers before selling private financial info to outside marketing companies is now at the AG's office. Funding for such a campaign would come from Chris Larsen, owner of Dublin-based E-Loan. This guy has deep pockets and has put up \$1 million for a petition drive – with the goal being the March 2004 ballot. The big question is whether this initiative is really a *political hammer*, aimed at pushing Assemblymembers toward a YES vote. Some think that's exactly what this is all about...

...The opponents of SB 1 (CA Chamber of Commerce and the Financial Services Privacy Coalition) say there are already U.S. laws on the books and that Calif. itself leads the nation with 40 laws about privacy – some related to the financial, medical and the credit industries. The coalition is still hopeful a compromise can be reached. If SB 1 should pass in its present form, there's always the possibility of a *referendum*. Although SB 1 passed the State Senate, there's no hearing date as yet in the State Assembly...

◆ The Budget Accountability Act – Again, as reported in Calpeek back on Jan. 27th, organized labor has taken its research (polling and focus group studies) and translated that data into this constitutional amendment. Simply stated, the Budget Accountability Act would reduce the number of legislative votes to pass new taxes and to pass a new budget from the current *2/3rds* down to *55%*. In addition, there's a *budget reserve* component in this proposal. The key backer is the SEIU with support from CTA and the League of Women Voters. Calif. + Arkansas & Rhode Island are the *only 3 states* which require more than a majority to pass a budget. Major opposition will come from the Howard Jarvis Taxpayers Assn., most all GOP lawmakers, but it's our bet that the business committee will split. Wall Street will push for passage – to protect bondholders, while Calif.-based

businesses may oppose – fearful of new taxes being passed by a Demo controlled legislature...

◆ **ACA 7** – Although it hasn't been submitted to the AG's office yet, there's an excellent chance that the Silicon Valley Mfg. Group may put an initiative on the ballot to make it easier to raise sales taxes for transportation purposes. Over the past 25 years, a number of counties have gone to the ballot box to raise funds for various transportation projects, ranging from road/street improvements to light rail. In most cases, County Supes have requested a modest ¼ cent hike in local sales taxes – spread over 10-20 years. Only problem: currently it requires a 2/3rds vote. In November, 6 counties tried to pass ¼ cent sales tax hikes. Five were unsuccessful. The local tax passed only in Riverside Co. Reducing the vote to 55% is the aim of this proposal – which is also the objective of **ACA 7** by Assemblyman John Dutra (D-Fremont), chair of the Assembly Transportation Cmt. GOP support is IFFY at best and to pass on the floor it will require a 2/3rds vote. A Transp. Cmt. hearing/vote is set for April 7th. Stay tuned...

BATTLE FOR DEMO REGIONAL CHAIR INVOLVED L.A. CITY POLITICS AS WELL AS LABOR POLITICS.

Editor's note: Unlike the Calif. Republican Party, there was no party chairmanship battle at the just concluded Calif. Democratic Party convention in Sacramento. With the exception of Demo presidential politics, the convention was relaxed and tame – with one exception. There was a heated battle over **Regional Director #13** – a fight dealing more with L.A. City politics and labor union friction than anything else. Here's our report & analysis...

...The battle between Santa Clarita Demo activist Ron Gillis, who was the 11th regional director (last year), and Laborers Local #300 p/a director Jim Hilfenhaus actually began late last year when Hilfenhaus decided to run to the newly created 13th region – composed of the 38th, 39th, 40th and 42nd Assembly Districts. Of these 4 San Fernando Valley ADs, only the 38th AD is in GOP hands. Gillis' old 11th region had the 38th and 36th ADs – both GOP ADs. In the CDP structure, the 21 regional directors are the key link between CDP HQ and the local county & AD chairs...

...Gillis vs. Hilfenhaus conflict #1: late last year LAUSD school board member and 12th L.A. Council district candidate Julie Korenstein pulled her endorsement of Gillis to back Hilfenhaus. Korenstein and Hilfenhaus go back 20 years and it was the smart move because Korenstein was looking for labor support. But when Korenstein sought a city council endorsement from DPSVF (the Demo Party of the San Fernando Valley), Gillis paid her back: he helped

orchestrate a DPSVF endorsement for Korenstein's council rival, Rob Vinson. Tensions mounted after this and eventually the DPSVF leadership (Jeff Daar) sided with Gillis...

...Gillis vs. Hilfenhaus conflict #2: **Organized Labor**. This was really out of Gillis' control, but he was the beneficiary of growing tension between Laborers Local #300 leader Sergio Rascon and the CA State Building & Construction Trades Council. For the uninformed, Local #300 is the largest local building & construction trade union in the U.S., with 7,000 members (but upwards of 12,000 at peak times). Rascon pulled Local #300 out of the council because Local #300 was already represented in Sacto by the Calif. State Council of Laborers – thus the B&T council took out their anger on Local #300 by supporting Gillis. There was also rising tension between Hilfenhaus and L.A. Co. Labor leader Miguel Contreras, but Contreras sent out a fax letter saying he was totally neutral. Why the tension? Laborers Local #300 were big supporters of defeated L.A. Councilman Nick Pacheco in his battle with councilman-elect Antonio Villaraigosa – Contreras' #1 priority in the just concluded L.A. city primary. Was Contreras trying to help Gillis? Some say yes, others say no...

...So who won? Hilfenhaus by a 10-vote margin: 55 to 45. There were some 300 people in the room watching this battle. On Hilfenhaus's side: AFSCME, SEIU #347, L.A. PPL, Lt. Gov. Cruz Bustamante, Assembly Speaker Herb Wesson, local lawmakers Richard Alarcon, Lloyd Levine and Paul Koretz. Also siding with Hilfenhaus, the Stonewall Demo Club. Stay tuned...

CALPEEK'S CALENDAR OF POLITICAL EVENTS

Mar. 27	6 th annual L.A. Political Roast, Beverly Hilton Hotel, 6 p.m. cocktails, 7 p.m. dinner.
Apr. 3	Pat Brown Inst. 22 nd annual awards dinner, Millennium Biltmore Hotel, L.A.
May 1	SCAG 2003 General Assembly, L.A.
May 14-16	Regional Council of Rural Counties annual meeting, Napa Valley Marriott.
May 20	L.A. muni runoff election.
June 5-10	71 st annual U.S. Conf. of Mayors, Denver, CO
July 23-26	Nat'l Conf. of State Legislatures annual meeting, S.F.
Nov. 4	S.F. Muni Election + other cities

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CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few items, political & otherwise, worth noting...

■ **Health Care Justice Campaign** – The Calif. Labor Federation(AFL-CIO) has launched a campaign aimed at passing legislation to provide employment-based health insurance for all working Californians. The author of legislation to do just that is Senate Pres. John Burton(D-SF) and the bill is SB 2. About 2/3rds of Calif. employers provide their workers with health coverage and 61% of employers with 3-9 workers provide coverage. Want more info: www.workingcalifornia.org...

■ **Goddard/Claussen Form New Firm** – When the announcement was made several weeks ago that Porter Novelli was restructuring its Calif. operation, the status of campaign consultants Ben Goddard & Richard Clausen was left somewhat up in the air. And for good reason. Both wanted out of their 4 year deal with P/N and they have now formed GC Strategic Advocacy, with offices in Sacto(Claussen) and DC(Goddard). GC Sacto office remains at 1215 "K" St. (916)325-2958. Email address is rick@gcsa.com...

■ **Peace & Freedom Party Revisited** – They're back. The P&F Party has registered 79,462 new members and thus has requalified as an official party in Calif. How did they manage to requalify? The low voter turnout in November of 2002 caused the threshold requirement to drop by 9,000 signatures...

■ **Poll Shows Recall of Davis Fails** – A relatively new L.A. Times poll (1,055 registered voters, Feb. 27-March 3) shows a recall aimed at removing Gov. Gray Davis(D) would lose by a 51% to 39% margin...

■ **Poll On U.S. Senate Race in 2004** – This same L.A. Times poll shows Demo U.S. Sen. Barbara Boxer with 47% vs. 30% against an unnamed GOPer. In the GOP battle, businessman Bill Simon Jr. is getting 29% vs. 13% for U.S. Rep. Darrell Issa(San Diego), 7% for U.S. Rep. Doug Ose(Sacramento) and 6% for U.S. Rep. George Radanovich(Fresno)...

■ **Calif.'s Public Debt** – It just keeps growing every-time we check the info. According to the yearly totals from the Calif. Debt & Advisory Commission, Calif.'s public debt as of 2/21/03 is \$77.3 billion. That's up \$4.1 billion from our last report. Stay tuned...

CAMPAIGN 2004: UPDATE ON LEGISLATIVE RACES.

Editor's note: Here is *Part VI* in our continuing series of updates about U.S. House and Calif. Legislative primaries in 2004...

☒ **25th SD** – The big question in this solidly Demo SD is whether incumbent State Sen. Ed Vincent(D-Inglewood) will seek reelection in 2004. His staff says YES, but Vincent underwent heart surgery last year and some sources question just how healthy this former football star really is. If he should decide to retire, there are at least 3 well known Demos who would like to run: Assemblyman Jerome Horton, Inglewood Mayor Roosevelt Dorn and perhaps Hawthorne Mayor Larry Guidi...

☒ **35th SD Update** – The battle to replace termed out Ross Johnson in this Orange Co. SD is a two-person battle between Assemblymembers John Campbell(70th AD) and Ken Maddox(68th AD). Maddox has recently hired JohnsonClark Associates and MB Associates (campaign fundraising and information). Of the two, Maddox is the more conservative, but Campbell is the guy with *deep pockets* and a long list of endorsements – including Ross Johnson and GOP Senate Leader Jim Brulte. Altogether, Campbell is backed by 11 of 15 GOP State Senators – including Dick Ackerman, who also represents part of Orange Co...

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